



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 1, 2005

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 1485

Ken George
Holcim (US) Incorporated
6055 East Croydon Road
Auxiliary Route #3
Morgan, Utah 84050

Subject: Tentative Approval to Commence Large Mining Operations, Holcim (US) Inc.'s, Skull Valley Diatomaceous Earth Quarry, M/045/060, Tooele County, Utah

Dear Mr. George:

The Division has completed a review of your latest response, received February 18, 2005, to our October 14, 2004 deficiency review letter. After reviewing this latest information, the Division is now prepared to grant tentative approval of the Skull Valley Diatomaceous Earth large mining permit application. We have prepared the formal notice of tentative approval which will be published for public comment in the appropriate Salt Lake City and Tooele County newspapers (copy attached). This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Anyone aggrieved by this tentative decision is advised to file a written protest with this Division setting forth factual reasons why this proposed operation should not be approved. Written objections of substance, received by the Division during the public comment period, will be heard at a formal adjudicative proceeding in accordance with UCA §40-8-13.

Prior to issuing final approval, we require that you provide us with:

1. two copies of the complete and corrected plan. When final approval is issued, one copy will be stamped "approved" and returned to you for your records;

Ken George
Page 2 of 2
M/045/060
April 1, 2005

2. a \$99,700 surety bond (estimate attached) and a Reclamation Contract (Form MR-RC enclosed). Please let us know which type of surety you propose to post so we can provide you with the appropriate form. Please provide us with a "draft" copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy.

If the required surety and Reclamation Contract are not received prior to the end of the 30-day public comment period (or arrangements made as to when they will be submitted), the Division will withdraw our Tentative Approval. If, at a later time, you wish to pursue a mining permit, you will need to submit a new notice along with the appropriate application fee, receive Tentative Approval (you may be billed for publishing in the newspapers a second time), submit the required reclamation surety, and receive written approval from this office as well as any other agency involved with the permitting process **prior** to creating any mining related disturbance.

Please be advised that **you are not authorized to create any mining related surface disturbance until you have received written final approval from this division, as well as any other agency involved with the permitting process.**

Thank you for your cooperation in completing this permitting process. If you have any questions regarding this letter, please contact me at (801) 538-5325 or Tom Munson at 538-5321.

Sincerely,



Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:jb
Attachment: Public Notice, Cost Estimate
Enclosure: MR-RC
cc : Glenn Carpenter, BLM, SLFO w/attachments
O:\M045-Tooele\M0450060-SkullValleyDiatoms\final\Tentative-apv-04012005.doc

application of soil will be made, and a seed mixture distributed to minimize erosion and facilitate vegetation.

After Operations: After each three acre pit is excavated, the pit walls will be resloped to a 3h:1v slope. The topsoil will be replaced and reseeded. The pit will be reshaped to blend with the pre-mining surrounding topography. The reseeded slopes will stabilize with the growth of vegetation to minimize erosion and instability. The excavated pit will be ripped to a depth of two feet prior to the placement of topsoil. A minimum of 12 inches of topsoil will then be applied over the surface of the re-contoured pit, then a seed and approved fertilizer mixture will be distributed over disturbed areas. The seedbeds will be left in a roughened surface condition whenever possible. Any ripping of the soil surface by bulldozers will be performed on the contour, to the fullest extent possible, to minimize potential surface erosion. The proposed seed mixture will be the same as the fire rehab mixture used south and east of the mine. The seed will be broadcast as soon as possible after seedbed preparation is complete. Seedbed preparation and seeding will take place in the fall, no later than December 15.

The person representing the company is Mr. Ken George; Phone (801) 829-2153. Holcim (US) Inc. is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975, Utah Code Ann. §40-8-18.

Any person or agency aggrieved by this tentative decision to issue approval is hereby requested to submit written protest within thirty (30) days of the date of publication to Mark Mesch, Acting Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint. If no responsive written protests are received by the Division within 30 days after the last date of publication, the tentative decision of the Division will be final.

DATED THIS 1 day of April, 2005

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



For Mary Ann Wright
Acting Director

RECLAMATION SURETY ESTIMATE						
Holcim (U.S., Inc.)						
Skull Valley Diatomaceous Earth Quarry						
DOGM file Number M/045/060						
Prepared by Utah State Division of Oil, Gas & Mining						filename M045-060.xls Tooele County
Note: actual unit costs may vary according to site conditions						
last unit cost update						03/01/05
-Amount of disturbed area which will receive reclamation treatments =						9 acres
-Estimated total disturbed area for this mine =						9 acres
<u>Activity</u>	<u>Quantity</u>	<u>Units</u>	<u>\$/unit</u>	<u>\$</u>	<u>Note</u>	
Safety gates, signs, etc (mntls & installation)	1	Sum	250	250	(1)	
Regrading - countour high walls - dozer	62770 CY		0.49	30757		
Ripping soil stockpile areas	2 acre		286	572		
Ripping pit floors	0 acre		286	0		
Ripping pit access roads (2ft depth)	0 acre		710	0		
Creating safety berms or barriers around highwalls	0 LF		0.25	0		
Ripping access roads- dozer	0 acre		286	0		
Regrading access roads - dozer	2 acre		286	572		
Sidecast mtl replacement of steep slopes - trackhoe	0 LF		1.45	0		
Surface drainage restoration or construction	0 LF		0.25	0		
Plant growth replacement - dozer	29040 CY		0.68	19747		
Plant growth replacement - loader	29040 CY		0.31	9002		
Ripping prior to seeding	7 acres		286	2002		
Fertilizing (100 lb/acre diammonium phosphate)	0 acre		100	0		
Composted manure (10 ton/acre)	9 acre		350	3150		
Broadcast seeding	9 acre		280	2520		
Drill Seeding	0 acre		240	0		
Hydroseeding	0 acre		930	0		
General site cleanup & trash removal	5 acre		75	375		
Equipment mobilization	2 equip		2000	4000		
Reclamation supervision -10% of reclamation estimate						
	Subtotal			72948		
10% Contingency				7295		
	Subtotal			80243		
Escalate for 5 years at 4.44% per year				19468		
	Total			99710		
Rounded surety amount in year 2010 \$				99700		
Average cost per disturbed acre =				11079		